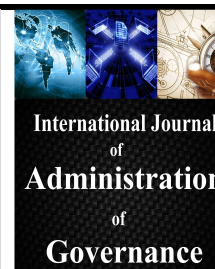




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The Level Of Employee Engagement Program In Government-Linked Company (Glc) In Malaysia

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ABSTRACT

Employee engagements program plays important roles in the employer and employees' relationship. The effective engagement programs will contribute to increase the attendance rates and reduce absenteeism in most organization. Furthermore, sense of belonging can drive employees to perform their daily routine tasks in conducive environment. In most cases, effective engagement programs will give indirect impact to the organization performance.

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INTRODUCTION

Recently, the concept of "employee engagement" offers a new way of thinking about managing human resources. Organizations understand that employee job satisfaction and engagement are important to their business sustainability. In today's uncertain economy, the best-performing employers know that taking their employees' pulse and linking it to their business goals will help companies succeed and put them at a competitive advantage. Few research shows that engaged employees need reasons to engage, are focused and have a sense of urgency in their work, therefore will present to work happily. Extensive researches were conducted across the world in service industries and it has shown that if a person is "engaged" in his or her job, he or she performs better, and the productivity of the organization improves significantly [1]. Organizations should take steps to discover the skill sets of their employees and use them, especially during time of uncertainty. The economic climate has changed the way employees look at their employers, their jobs and aspects important to their job satisfaction and engagement. Figuring out how to minimize the costs associated with absenteeism is important for organizations in today's hyper-competitive and demanding economic climate.

The drivers of absenteeism differ hugely between companies or even within companies and can be driven by a range of factors within a business. One division of a business may experience higher than average absenteeism rates because of a unique managerial issue whereas another department may not have a manager who struggles with staff relations and therefore does not have the same rate of absenteeism. Ericson [2] maintains that organizations should look at ways in which they can accommodate the needs of their diverse workforce in order to attract and retain the best employees. Ericson [2] further states, "if people were only absent from their jobs when they needed to be, such as for family commitments, or when they are truly ill, absenteeism would not be the major problem that it is today". However, it is highly unlikely that organisations will completely eradicate absenteeism.

Engagement plays important roles in encouraging employees to present to work. This study will look into the impact of employee engagement program towards reducing absenteeism in Government Linked Organization (GLC). The reason why the GLC is selected was due to the ignorance of some employees to present to work with the idea that no stern action will be taken that can lead to dismissal. Furthermore GLCs are managed using government's fund and applying some rules and regulations that similar to government agencies.

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*Literature Review:**Engagement:*

The Gallup Work Place Audit [3] defines engagement as “the individual’s involvement and satisfaction with as well as enthusiasm for work.” Extensive researches were conducted across the world in service industries and it has shown that if a person is “engaged” in his or her job, he or she performs better, and the productivity of the organization improves significantly [1]. In the health care industry, research conducted by Gallup [3] and other organizations in the US shows that increased engagement among nurses results in increased patient satisfaction, better nurse retention and higher morale, lower avoidable mortality and complication rates, improved clinical measures such as reduced infections and reduced medication errors [4]. Another study has revealed a positive relationship between unit-level employee engagement and performance measures including customer loyalty, productivity, and patient safety incidents [5]. Engagement is also linked to improvement on measures of absenteeism and turnover (or turnover intentions), suggesting that enhancing engagement might help health care organizations to improve employee retention [1]. When exploring engagement and its relationship with performance, it is important to differentiate engagement from motivation and job satisfaction. Motivation can be defined as “the willingness to exert and maintain an effort towards organizational goals” [6]. Job satisfaction is often defined as “the extent to which people like (satisfaction) or dislike (dissatisfaction) their jobs” [7].

EE1 – Attendance Incentive (AI):

Reward and benefits management, according to Armstrong [8], is concerned with the formulation and implementation of strategies and policies, the purposes of which are to reward people fairly, equitably and consistently in accordance with their value to the organization and thus help the organization to achieve its strategic goals. In Dragon’s company attendance incentive is considered as one of the engagement element due to the motivational impact it contributes towards reducing absenteeism.

EE2 – Education Assistance Program (EAP):

Education contributes to each individual’s development by facilitating the attainment of mental powers, character and socialization, as well as specific knowledge and skills. Development is therefore, for the most part, long term in focus. Development, according to Noe, Hollenbeck, Gerhart & Wright [9], means learning that is not necessarily related to the employee’s current job. Instead, development prepares employees for other positions in the organization and increases their ability to move into jobs that may not yet exist. Development may also help employees prepare for changes in their current jobs, such as changes resulting from new technology, work designer customers. Development therefore is about preparing for change in the form of new jobs, new responsibilities, or new requirements.

EE3 – Total Employee Suggestion System (TESS):

Waal [10], suggests that, an employee’s ability to see the connection between his or her work and the organization’s strategic objective is a driver of positive behavior. This clarity is achieved by formulating and using personal objectives derived from strategy. More importantly, employees should be encouraged to fix their own working problems [11]. They are encouraged to make suggestions and take relatively high degree of responsibility for overall performance [11]. Dragon’s taking this as opportunity to engage the staff by allowing them to contribute to the organization by providing a medium for them to spill their ideas towards improving organization performance and achieving goals. TESS’s committee will review and reply the suggestion accordingly with some honorarium indicated by Gold, Silver or Bronze level or just a thank you certificate with a small gift for all suggestion received by the committee.

EE4 – Employee Profit Sharing (EPS):

Brown and Sessions [12] report that employees in performance-related pay plans have more positive views about management-employee relations and how the workplace is run. The sharing system as defined by Handel and Levine [13] would be a key component of a mutual-gains or high-commitment system where both workers and the firms come out ahead. Shared capitalist systems could operate in part as a “gift exchange” between the worker and the firm, in which the higher pay increases worker effort, decreases turnover, and increases worker loyalty [14]. But in the Dragon’s organization, present to work is a key factor contributing to the organization’s profit sharing incentives pay to the employees.

Methodology:

The most common method of generating primary data is through survey [14]. Zikmund [14] defines a survey as a research technique in which information is gathered from a sample of people through a questionnaire. Thus, because of the need to generate primary data to achieve the objectives of this study, survey research was adopted. In this cross-sectional survey, the data was collected from all of Dragon’s employees

through the distribution of questionnaires and the data analyzed and interpreted through Statistical Package for Social Sciences (SPSS), version 21.0 to determine the relationship involved and was used to generate descriptive statistics. In the context of this study using Proportionate Stratified Random Sampling to identify each of the employees at most of functional hierarchy which are direct or support group of the operational.

This research was designed to study the level of employee engagement programs in the Dragon Organization. Data were collected using a cross-sectional self-administered questionnaire, developed specifically to identify the level of understanding and employee satisfaction level unit of analysis. A 5-Point multi-item Likert scale format was employed, ranging from 1 (strongly disagree), 2 (Somewhat disagree), 3 (Neutral), 4 (agree), and 5 (strongly agree). Proportionate stratified random sampling procedure was used in selecting the sample. This procedure ensured each subpopulation that existed in the total population is well represented. A total of 500 questionnaires were distributed to the most of employee in the Dragon Organization. Subsequently 383 replies were obtained.

RESULTS AND DISCUSSION

This research obtained 76.6% response rate. The frequency of respondents gender were consist of 86.9% is Male and 13.1 female. It was recorded that most of the respondents, 70.2% served for less than 5 years and, 70.2% served between 5 - 10 years. About 8.9 % is age between 20-30 years, 70.8% 31-40 years, 19.3% age between 41-50 years and 1% age more than 50 years. While 2.3% of the respondents were Executive and 97.7% were from Non-Executive group. Interestingly, most of the respondents were working as direct worker 91.6% and 8.4% of support staff. Meanwhile most of working on shift (83.8%) and only little respondents are working office hours (17.2%).

A profile of the respondents is presented in Table 1.

Table 1: Profile Of Respondents

Respondent's profiles		Frequency	Percentage (%)
Gender	Male	333	86.9
		50	13.1
Age	20 – 30 years	34	8.9
	31 – 40 years	271	70.8
	41 – 50 years	74	19.3
	Above 50 years	4	1.0
Year of Service	< 5 years	114	29.8
	5 – 10 years	269	70.2
Position Category	Executive	9	2.3
	Non-Executive	374	97.7
Job Category	Support Staff	32	8.4
	Direct Worker	351	91.6
Work Hours	Office Hours	66	17.2
	Shift Work	317	82.8

Table 2 had indicated both the mean and standard deviations of employee engagement program scale. The ranking of importance as suggested by Rosli (2005) and Rosli and Ghazali (2007) were used as a reference in determining the level of the choices of employee engagement program. The authors suggest the following four categories based on rank of importance: mean value of 2.59 and below is indicating as less important, mean value between 2.60 to 3.40 is indicated as moderate importance, mean value ranging from 3.41 to 4.20 is indicated as high importance, and mean value of 4.21 and above is indicating as great importance.

Hence, based on the findings, no items were scored mean value between 2.60 – 3.40 to be implied as moderate importance. 26 items scored the mean value ranging from 3.41 to 4.20, is ranked as high importance. Meanwhile, 4 items which obtained mean value greater than 4.21 indicated as great importance.

Table 2: Descriptive Statistics Of Employee Engagement Program

	Mean	Std. Deviation
Financial incentives motivate you more than Non Financial Incentives	4.98	.197
I am satisfied with present policies of my organization	3.88	.394
I am satisfied with the communication channels used at my work place (intranet, email, in-house post)	3.84	.371

The briefing session conducted frequently by management to refresh the information about the company's rules and policies	3.93	.289
The management provides plenty of opportunities for us to contribute to the organization.	4.07	.416
The management always considering staff welfares and benefits in all new program.	3.71	.483
I am are satisfied with the incentives provided by the organization	4.09	.488
Attendance Incentives encourage me to present to work everyday.	4.80	.440
Attendance Incentives make me feel my present is appreciated	4.72	.484
This incentives contributes to my gross income per month.	4.74	.475
I think Attendance incentive should be given based on work category	4.10	.351
I think Attendance incentive motivates staff to present to work.	4.10	.351
I am satisfied with the training and re-training at my work place	3.88	.344
I am satisfied with the opportunities provided by the management for me to improve myself	3.90	.299
I think the EAP scheme is very encouraging	3.95	.239
I think the EAP scheme helps employee to obtain higher education	3.94	.238
EAP is very good scheme for employee self-development.	3.94	.244
EAP scheme helps employees to contribute to the organization achievement.	3.94	.244
My organization have clear vision and missions	3.95	.250
I am aware of the market demand for the product/services provides by this company	3.95	.228
The company opens to my ideas and suggestion	3.95	.223
I believe that Company is an equal opportunities employer	3.95	.250
I feel responsible for the organization performance	3.94	.259
I believe this company is well managed.	3.97	.264
On my job, I have clearly defined quality goals.	3.95	.246
I feel encouraged to come up with new and better ways of doing things.	3.97	.293
The management appreciates my ideas	3.96	.237
I feel happy to helps the company by simplifying my routines tasks	3.96	.237
I feel challenged by the work I do	3.96	.242
This organization always emphasis on innovation	3.96	.188

Observing from the above table mean score, the level of employee engagement program among GLC staff was suggested to be between moderate to great importance. The mean score ranged from 3.71 to 4.98 on a five point Likert scale. Besides that, the variability of the rating exhibited to be relatively high with the standard deviation range of 0.188 to 0.488, suggesting some inconsistencies in importance pertaining employee engagement programs to the items among the respondents.

Conclusion And Implications:

The results obtained from the survey show that the most important factors that encourage employees to present to work and be motivated are financial incentives. The attendance incentives as an example is act like a token of appreciation from the employer to employees. Meanwhile the findings also shows that the management should consider to go down to the operational floor/direct workers to get in touch of the employees in person. The effective engagement program that allowed two ways communication must be introduced to assist to build strong engagement between direct workers and the top management. Their opinions must be considered to improve the organization performance as a whole. This measure can open the boundaries and creates beautiful relationship between the management and the lower level staff. Engagement plays important roles in ensuring the present of employees to work. Organization should consider long term benefits in providing engagement program to their employees to be able to sustain in the current competitive business environment. Building bridge between employees and employer is crucial towards achieving organization performance and objectives.

Notes:

The real names of the organization and its divisions are not disclosed for reasons of confidentiality. The actual names of the programs have also been replaced with fictitious names.

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